

USE THIS FORM IF YOU ARE TRYING TO...

NDPERS GROUP HEALTH INSURANCE FORMS:

<u>If You Are Trying To:</u>	<u>Use This Form</u>
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Enrollments & Waivers

Enroll a new employee in the PPO/Basic option	NDPERS Group Health Application
Enroll a new employee in the EPO/Basic option	NDPERS Group Health Application and Employee Selection Form
Enroll a new employee in the EPO/Basic option with covered dependents outside of EPO area	NDPERS Group Health Application , Employee Selection Form , and Out of Area Waiver for Dependents form
Waiver participation	Waiver of Health Coverage

Changes/Additions

Report a name, marital, or address change	Notice of Change SFN 10766 and NDPERS Group Health Application
Report dependent loss of eligibility status	Notice of Status or Employment Change SFN 53611 and NDPERS Group Health Application
Report an employee transferring to another PERS participating agency	Notice of Transfer Kit SFN 53728

Separation of Employment

Notify PERS of an employee's separation of employment	Notice of Status or Employment Change SFN 53611 and provide the appropriate separation of employment kit
Notify PERS of an employee's Death and/or provide benefits for a surviving spouse	Contact NDPERS
Initiate a disability retirement benefit for a terminating employee's	Disability Retirement Kit SFN 53726

Retiree Group Insurance

Provide health coverage for a retiring employee	Retirement Kit SFN 53723
Provide health coverage for a disability retirement employee	Disability Retirement Kit SFN 53726
Provide health coverage for a surviving spouse and dependents of a deceased employee	Contact NDPERS

NDPERS GROUP HEALTH APPLICATION

The Group Health Application is used to enroll employees in the group health insurance plan. Employees who add or delete dependents or have a change in marital status also need to complete this form.

NEW ELIGIBLE EMPLOYEES (INCLUDING SEASONAL EMPLOYEES)

To be eligible, they must be:

- ✓ at least 18 years of age
- ✓ work at least 20 hours per week for 20 or more weeks per calendar year,
- ✓ and be filling positions which are regularly funded and not of limited duration (i.e. permanent).

NDPERS must accept all applications for coverage with no restrictions, limitations or waiting period for the employee and all eligible dependents. Coverage will be effective the first of the month following date of employment. If application is not made within the first 31 days of employment, the provisions of the Special Enrollment Periods will apply. An employee who elects not to enroll themselves or their eligible dependent(s) must complete a BCBS Waiver of Health Coverage form.

DEPENDENTS The Subscriber's legally married spouse, and the Subscriber's living, covered spouse's unmarried children:

Under the age of 23 are eligible if they are:

- **Financially dependent**

Children age 23 to 26 are eligible if they are:

- **A full-time student (12 credit hours) at an accredited institution and 50% financially dependent on the employee or the employee's spouse.**

A CHILD CANNOT BE AN ELIGIBLE DEPENDENT OF MORE THAN ONE EMPLOYEE. A DEPENDENT OF AN EMPLOYEE WILL NOT BE ELIGIBLE IF THAT DEPENDENT IS ALSO AN EMPLOYEE.

PART-TIME/TEMPORARY EMPLOYEES are eligible to participate at their own expense. Coverage will be effective the first of the month following date of employment. If application is not made within the first 31 days, the provisions of the Special Enrollment Periods will apply. NDPERS will bill the agency for the premium on the agency monthly billing. The agency is responsible for collecting and remitting the monthly premium with their agency group bill. The agency is responsible for providing written verification to NDPERS that the individual is a part-time or temporary employee, the effective date of employment, the employee's name, address and social security number. The agency is also responsible for providing written verification and sending the **Continuation of Group Health**

Coverage for Terminating Employees SFN 14120 to NDPERS when the employee terminates. An employee who elects not to enroll themselves or their eligible dependent(s) must complete a **BCBS Waiver of Health Coverage** form.

MEMBERS OF BOARDS, COMMISSIONS, OR ASSOCIATIONS

To be eligible to participate, members of State and political subdivision boards, commissions, or associations must be paid, which means receiving a per diem for each meeting. They will have 31 days from the date they assume office in which to enroll in the group health insurance plan with coverage effective the first day of the following month. If application is not made within the first 31 days, the provisions of the Special Enrollment Periods will apply.

Eligible board members of the State may participate at their own expense. Political Subdivisions may pay a contribution, which is less than, equal to but does not exceed the premium contributions paid for eligible full-time employees.


ENROLLMENT PERIODS

The Health Insurance Portability and Accountability Act (HIPAA) is intended to ensure portability of health coverage for those individuals who must move from one plan to another as a result of loss of coverage under any other health insurance plan. The act also specifies that plans allow special enrollment opportunities for employees and prohibits using health status (medical underwriting) as a basis for group health insurance eligibility. The special enrollment periods allow an individual to enroll in the plan without any restrictions and are defined as follows:

- Within 31 days of date of hire for eligible new and seasonal employees, part-time/temporary employees, and within 31 days of assuming office for members of boards, commissions, or associations.
- Add a spouse within 31 days of marriage. An employee who previously waived coverage is eligible to enroll in the plan at the same time that the employee's spouse is enrolled.
- Add a dependent within 31 days of birth or adoption, or placement for adoption or receiving legal guardianship, or court order to provide health coverage. An employee and other dependents that previously waived coverage are also eligible to enroll in the plan at the same time that the employee's dependent is enrolled.
- Within 31 days of loss of coverage under any other health insurance plan due to death, divorce, or loss of spouse employer sponsored coverage. The employee must make application to obtain coverage within 31 days of loss of coverage. Note: the employee can only enroll themselves and dependents for coverage if the employee and/or their dependents lost coverage due to the life change event.

The following enrollment criteria will apply to individuals who enroll outside the special enrollment periods (late enrollees) previously listed:

- Late enrollees may enroll during the annual open enrollment period. Coverage will be effective January 1.
- There may be a 12-month waiting period for coverage of any pre-existing conditions. Pre-existing condition does not include maternity. **The entire waiting period will apply only if a late enrollee cannot provide confirmation of previous qualifying health insurance coverage (Certificate of Coverage) or their lapse in previous coverage exceeds 62 days.**

A= Always Applicable IA= If N= Never 																	
	Section 1	Section 2	Section 3 - part 1	Effective Date of Coverage	Section 3 - part 2	Section 4	Section 5	Section 6	Employee Section Form	Waiver of Health Coverage	Out of Area Waiver for Dependents	Required Documents	Notice of Transfer				
ENROLLMENT																	
Enrolling new contract holder - married, electing coverage	A	A	Elect Basic/PPO or Basic/EPO	Month after event	If currently not covered by BCBS coverage now, indicate "New Coverage". If they do have BCBS coverage, then indicate "Transfer from ..."	A	IA	A	IA	N	IA	N					
Enrolling new contract holder - married or single, declining coverage	N	N	N	N	N	N	N	N	N	A	N	N					
Enrolling new contract holder - single female or male	A	A	Elect Basic/PPO or Basic/EPO	Month after event	If currently not covered by BCBS coverage now, indicate "New Coverage". If they do have BCBS coverage, then indicate "Transfer from ..."	N	IA	A	IA	N	N	N					
Enrolling new contract holder - "single" female or male, with child(ren)	A	A	Elect Basic/PPO or Basic/EPO	Month after event	If currently not covered by BCBS coverage now, indicate "New Coverage". If they do have BCBS coverage, then indicate "Transfer from ..."	A	IA	A	IA	N	IA	State Certified Birth Certificate					
Enrolling new contract holder - "divorced" female or male, with child(ren)	A	A	Elect Basic/PPO or Basic/EPO	Month after event	If currently not covered by BCBS coverage now, indicate "New Coverage". If they do have BCBS coverage, then indicate "Transfer from ..."	A	IA	A	IA	N	IA	N					
LIFE CHANGE EVENTS - must complete enrollment form within 31 days of life change event																	
Married - changing from single to family coverage - add spouse only	A	A	A - indicate family coverage. Cannot change type of coverage	Month after event	N	A	IA	A	N	N	N	N					
Married - changing from single to family coverage - add spouse & step child(ren)	A	A	A - indicate family coverage. Cannot change type of coverage	Month after event	N	A	IA	A	N	N	IA	N					
Married - changing from single to family coverage - add step child(ren) only, spouse NOT currently covered by NDPERS	N	N	N	Month after event	N	N	N	N	N	N	N	N					
Married - changing from single to family coverage - add step child(ren) only, spouse currently covered by NDPERS	A	A	A - indicate family coverage. Cannot change type of coverage	Month after event	N	A	A	A	N	N	IA	N					
State Employee Married to another State Employee, changing coverage to spouse's NDPERS plan (cannot have 2 State plans).	A	A	A - indicate family coverage. Cannot change type of coverage	Month after event	A - Transfer coverage to employee employed longest with NDPERS. Indicate covered under spouse's NDPERS plan and provide spouse's contract number	A	A	A	N	N	N	Spouse must complete application - see add dependent(s) due to marriage					
State Employee Married to A Political Sub Employee, changing from single to family coverage under the State Employees NDPERS plan (cannot have 2 State plans.)	A	A	A - indicate family coverage. Cannot change type of coverage	Month after event	A - Indicate covered under spouse's NDPERS plan and provide spouse's contract number	A	A	A	N	N	N						
Birth of a child/adoption - married currently with family coverage	A	A	N	Month in which event occurs	A - indicate add dependent(s) and provide date of birth or adoption	A	IA	A	N	N	IA	IA No Birth Certificate but Placement Papers/Adoption Papers					
Birth of a child/adoption - married currently with single coverage	A	A	A - indicate family coverage. Cannot change type of coverage	Month in which event occurs	A - indicate add dependent(s) and provide date of birth or adoption	A	IA	A	N	N	IA	IA Placement Papers/Adoption Papers					
Birth of child/adoption - "single" with single coverage	A	A	A - indicate family coverage. Cannot change type of coverage	Month in which event occurs	A - indicate add dependent(s) and provide date of birth or adoption	A	IA	A	N	N	IA	State Certified Birth Certificate or Placement Papers/Adoption Papers					
Birth of child/adoption - "divorced" with single coverage	A	A	A - indicate family coverage. Cannot change type of coverage	Month in which event occurs	A - indicate add dependent(s) and provide date of birth or adoption	A	IA	A	N	N	IA	IA Placement Papers/Adoption Papers					

Adding grandchild(ren) to coverage - birth parent currently covered on contract (birth of a grandchild)	A	A	N	Month in which event occurs	A - indicate add dependent and provide date of birth and indicté dependent parent	A	IA	A	N	N	IA	If dependent parent is a male a State Certified Birth Certificate is required			
Adding grandchild(ren) to coverage - due to court order	A	A	IA - indicate family coverage. Cannot change type of coverage	Month after event	A - indicate add dependent and provide date of court order	A	IA	A	N	N	IA	Need photocopy of Court Order			
Adding child(ren) within 31 days of a Court Order	A	A	IA - indicate family coverage. Cannot change type of coverage	Month after event	A - indicate add dependent and provide date of court order	A	IA	A	N	N	IA	Provide copy of Court Order			
Adding child(ren) due to a National Medical Support Notice - AUTOMATICALLY DONE BY NDPERS	N/A	N/A	IA - indicate family coverage. Cannot change type of coverage	Month in which event occurs	N/A	N/A	N/A	N/A	N/A	N/A	N/A	NDPERS notified by Child Support Enforcement agency of the order. Record kept on file at PERS & BCBS			
Adding Legal Guardians	A	A	IA - indicate family coverage. Cannot change type of coverage	Month after event	A - indicate add dependent and provide date of court order	A	IA	A	N	N	IA	Need photocopy of Guardianship Papers.			
Adding eligible dependent under age 23 - must be due to a qualifying event	A	A	IA - indicate family coverage. Cannot change type of coverage	Month after event	A - indicate add dependent and provide date of qualifying event	A	IA	A	N	N	IA	IA - Certificate of Coverage is due to loss of coverage			
Adding eligible dependent under age 23 - due to going back to college	A	A	IA - indicate family coverage. Cannot change type of coverage	Month after event	A - indicate add dependent and provide date of qualifying event	A	IA	A	N	N	IA	Requires a letter from an accredited college to confirm student is full time (12 Credits per semester). Must include date of attendance. CLASS SCHEDULE IS NOT ACCEPTABLE.			
Adding eligible dependent between age 23 and 26 - due to going back to college	A	A	IA - indicate family coverage. Cannot change type of coverage	Month after event	A - indicate add dependent and provide date of returning to college	A	IA	A	N	N	IA	Requires a letter indicating financial dependency and a letter from a accredited college to confirm student is full time (12 credits per semester). Must include date of attendance. CLASS SCHEDULE IS NOT ACCEPTABLE.			
Adding eligible dependent(s) during Annual Enrollment Season (No Qualifying Event)	A	A	IA - indicate family coverage. Cannot change type of coverage	January 1st of upcoming year	A - indicate add dependent and date change occurred date as July 1	A	IA	A	N	N	IA	N			
Remove child(ren) - due to ineligibility	A	A	IA - indicate level of coverage. Cannot change type of coverage	Month after event	A - indicate remove dependent and date dependent became ineligible	IA - list covered dependents including spouse	IA	A	N	N	N	N			
Remove spouse - due to finalization of divorce	A	A	IA - indicate level of coverage. Cannot change type of coverage	Month after event	A - indicate remove dependent and indicate date divorce became final per divorce decree	IA - list covered dependents	IA	A	N	N	IA	IA - Divorce decree required if conflicting information concerning primary coverage for dependent child(ren) or conflicting divorce date			
Remove spouse - due to legal seperation	A	A	IA - indicate level of coverage. Cannot change type of coverage	Month after event	A - indicate remove dependent and indicate date of legal seperation per court document	IA - list covered dependents	IA	A	N	N	IA	A - photocopy of legal seperation			
Remove dependent due to death (including spouse)	A	A	IA - indicate level of coverage. Cannot change type of coverage	Month after event	A - indicate remove dependent due to death and provide date of death	IA - list covered dependents	IA	A	N	N	N	N			
Spouse loss of another employer sponsored plan, new coverage	A	A	Elect Basic/PPO or Basic/EPO	Month after event	If no BCBS coverage now, indicate "New Coverage". If they do have BCBS coverage, then indicate "Transfer from ..."	IA - list covered dependents	IA	A	IA	N	IA	Certificate of Insurance from former carrier	N		
Spouse loss of another employer sponsored plan, add spouse/and or children	A	A	IA - indicate level of coverage. Cannot change type of coverage	Month after event	A - indicate add dependent and provide date of qualifying event	IA - list covered dependents	IA	A	N	N	IA	Certificate of Insurance from former carrier			
TRANSFERS															
Transfer from agency to another agency - includes employees with less than 30 days since last "coverage" date	N	N	N	Month after event	N	N	N	N	N	N	N	N	A		
Transfer from agency to another agency - employees with more than 30 days since last "coverage" date	N	N	N	Month after event	N	N	N	N	N	N	N	Employee is considered a New Hire - see Enrollment section			
ACTIVE DUTY/DISCHARGE															
Remove spouse or dependent child(ren) due to active duty	N	N	N	N	N	N	N	N	N	N	N	Send letter requesting change in coverage to Insurance Division at NDPERS			
Contract holder called to active duty	N	N	N	N	N	N	N	N	N	N	N	Send letter requesting change in coverage to Insurance Division at NDPERS			
Contract holder called to active duty - remaining eligible dependent(s), including spouse, require COBRA coverage	N	N	N	N	N	N	N	N	N	N	N	Send letter requesting change in coverage to Insurance Division at NDPERS			

Contract holder released from active duty, MUST have returned to employment (currently covered with TriCare)	A	A	Elect Basic/PPO or Basic/EPO	Month in which event occurs		IA - list covered dependents	IA	A	A	N	IA	Provide copy of discharge papers (DD214 or NGB22)			
CANCEL/CHANGE INSURANCE COVERAGE															
Married, changing coverage to spouse's NDPERS plan (cannot have 2 State plans).	A	A	A - indicate covered under spouse's NDPERS plan and provide spouse's contract number	Month after event	N	N	N	A	N	N	N	Spouse must complete application - see add dependent(s) due to marriage			
Married, changing coverage to spouse's NDPERS plan due to retirement of contract holder	A	A	A - indicate covered under spouse's NDPERS plan and provide spouse's contract number	Month after event	N	N	A - indicate reason as retirement	A	N	N	N	Spouse must complete application - see add dependent(s) due to qualifying event			
Due to termination of employment	N	N	N	Month after event	N	N	N	N	N	N	N	Complete Continuation of Group Health Insurance Coverage (CORBA) SFN 14120			
Due to retirement	N	N	N	Month after event	N	N	N	N	N	N	N	See Retirement Kit			

CONDITIONS UNDER WHICH HEALTH COVERAGE MAY BE CONTINUED

• Family and Medical Leave Act (FMLA)

The FMLA applies to all public agencies, including State, local and federal employers, and local education agencies (schools). This law requires the public agencies to provide a total of 12 weeks of unpaid, job-protected leave during a 12-month period. If you are an agency of North Dakota State government, the State's policy is for 16 weeks of unpaid, job-protected leave during a 12-month period. Eligible employees include those who have been employed for one year and have worked an average of 20 hours a week at least five months in the calendar year. During an unpaid leave under the FMLA, an employee may continue health insurance coverage at his/her own expense.

Payroll is required to submit a notice to NDPERS that indicates the beginning and ending dates of the leave. You must continue to collect the employee's monthly premium and submit it with the monthly billing for employee's who elect to continue their coverage.

If the employee does not return from medical leave, you have the right to recover any premium contributions paid while the employee was on the unpaid leave. If the employee does not return, they will have the right to COBRA continuation coverage at their own expense.

If an employee chooses not to continue the health insurance during an unpaid leave, upon their return to active, eligible employment, they will be required to complete a NDPERS Group Health Insurance Application in order to reinstate coverage. No evidence of insurability will be required.

• Leave of Absence

An employee may continue health insurance coverage at their own expense. You are responsible for collecting the premium from the employee and submitting it with your monthly agency billing. If an employee elects not to continue health coverage during the leave, they will be required to complete a NDPERS Group Health Insurance Application within 31 days of return to work. Coverage will be effective the first day of the month following reinstatement of employment.

• Seasonal Employees

Seasonal employees are subject to the same requirements as stated above under "Leave of Absence."

FILING PROCEDURE: ORIGINAL TO NDPERS-PLEASE MAKE PHOTOCOPIES FOR YOUR RECORDS

MINIMUM PARTICIPATION & MINIMUM CONTRIBUTION GUIDELINES FOR POLITICAL SUBDIVISIONS

MINIMUM PARTICIPATION REQUIREMENTS

Based on the size of an employer group, there are minimum requirements for participation with the Dakota Plan. This is done by comparing the eligible number of employees to the number of actual employees signing up for the health plan.

Potential and existing employer groups must meet the minimum participation requirements listed below:

Total Eligible	Minimum Required	Total Eligible	Minimum Required
2	2	19	14
3	3	20	15
4	4	21	15
5	5	22	16
6	5	23	17
7	6	24	17
8	7	25	18
9	8	26	19
10	9	27	19
11	9	28	20
12	10	29	21
13	10	30	21
14	11	31	22
15	11	32	23
16	12	33	24
17	13	34	24
18	14	35	25
		36 and over	70%

For all employers, deduct from the number of eligible employees those who have Blue Cross Blue Shield in other employee groups only, or who have reputable group commercial insurance carried by their spouse or those eligible for Medicare.

If the eligible employee and/or dependent wish to waive the coverage, a waiver from **must** be submitted.

Responsibility to comply with minimum participation guidelines belongs to the employer.

BCBSND will notify all employers through a letter that a participation % is needed. If the employer group does not meet the minimum requirements participation, the group will need to take steps to bring enrollment to within guidelines. The group will have a specified amount of time to ensure adherence. If the underwriting guidelines cannot be met, the group will no longer be eligible for the Dakota Plan and must find alternative coverage within a specified time period for non-compliance of the minimum participation guidelines.

MINIMUM CONTRIBUTION REQUIREMENTS

NDPERS requires that all political subdivisions enrolled in the NDPERS health plan beginning May 1, 2004 and thereafter pay a minimum employer contribution, which is defined as a least 50% of the single premium. Review of Minimum Contribution Requirements will be done on an annual basis in October.

An **Employer Payment Plan for Health Insurance SFN 54422** must be completed by the Authorized Agent and submitted to the NDPERS office along with the Employer Participation Agreement at the time the group enrolls in the health plan. If at any time the employer elects to change the employer health premium contribution they must notify the NDPERS office in writing prior to the effective date of change.

If the employer group does not meet the minimum contribution requirements, the group will need to take steps to become compliant with the guidelines. The group will have a specified amount of time to ensure adherence. If the guidelines cannot be met, the group will no longer be eligible for the Dakota Plan and must find alternative coverage within a specified time period for non-compliance of the minimum contribution guidelines.

OTHER HEALTH INSURANCE FORMS

EMPLOYEE SELECTION FORM

THIS FORM MUST BE COMPLETED AND ACCOMPANY THE NDPERS GROUP HEALTH APPLICATION IF AN EMPLOYEE INDICATES THEY ARE ELECTING EPO/BASIC COVERAGE ON THE NDPERS GROUP HEALTH APPLICATION.

PART 1: SELECTION OF PROVIDER

The applicant must select "ONE" provider. The EPO provider must be within a 50-mile radius of the member's residence.

PART 2: EMPLOYEE AUTHORIZATION

The applicant must complete the requested information and sign and date the form.

FILING PROCEDURE: ORIGINAL TO NDPERS-PLEASE MAKE PHOTOCOPIES FOR YOUR RECORDS

WAIVER OF HEALTH COVERAGE

THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) (FEDERAL LAW): REQUIRES THIS FORM MUST BE COMPLETED AT THE TIME OF INITIAL ELIGIBILITY BY ALL ELIGIBLE EMPLOYEES (INCLUDES PERMANENT AND PART-TIME, TEMPORARY OR SEASONAL) IF THEY ELECT NOT TO ENROLL THEMSELVES OR THEIR ELIGIBLE DEPENDENT(S) IN THE GROUP HEALTH INSURANCE PLAN.

The employee must complete all requested information and sign and date the form.

FILING PROCEDURE: ORIGINAL TO NDPERS-PLEASE MAKE PHOTOCOPIES FOR YOUR RECORDS

NOTICE OF CHANGE

SFN 10766

This form is to be completed to notify NDPERS of:

- Name change
- Address change
- Marital Status change
- Change in Dependent status
- FlexComp Election change

Whenever the Notice of Change SFN 10766 is completed and sent to NDPERS, the authorized agent must certify the accuracy of the information or the member and the form must be dated. If someone other than the authorized agent or member signs the form, it will be returned for the proper signature.

EMPLOYEE RESPONSIBILITIES – NAME CHANGE, ADDRESS CHANGE, OR MARITAL STATUS CHANGE:

1. Complete a marital status change whether there is a name change or not.
2. In cases of marital status change, it is **necessary** that the member complete a new Designation of Beneficiary **SFN 2560** for the NDPERS defined contribution retirement plan and a Life Insurance Designation of Beneficiary Change **SFN 53855** for the NDPERS group life insurance plan.
3. The authorized agent or the member **MUST** sign Part E for this form to be valid.
4. See the Flex Comp Plan and the Group Insurance Sections for further details.

EMPLOYEE RESPONSIBILITIES - DEPENDENT'S LOSS OF ELIGIBILITY STATUS:

Spouses or dependents may lose status for coverage due to the following occurrences:

1. Divorce or legal separation.
2. Death.
3. Dependent ceases to be a "dependent child" as defined.

If any of the above occurs, the employee is responsible for the following:

- A. **Must** contact their payroll office within 30 days of the occurrence resulting in dependent's loss of coverage.
- B. **Must** complete a NDPERS Group Health Application in order to remove the spouse or dependent(s) from coverage.
- C. **Must** contact the NDPERS office within 60 days of dependent ineligibility for coverage to obtain COBRA continuation application.

For spouses and/or dependents that lose eligibility status for coverage, refer to the [Certificate of Insurance book](#) for details regarding their rights for continuation of coverage.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

NOTICE OF TRANSFER

SFN [53728](#)

All instructions, terms and conditions are in the NDPERS Notice of Transfer Kit SFN [53728](#).

IF THE EMPLOYEE WILL NOT BEGIN EMPLOYMENT WITH A NEW PARTICIPATING AGENCY WITHIN 31 DAYS FROM THE DATE OF EMPLOYEE'S LAST REGULAR PAYCHECK WITH YOUR AGENCY, BOTH THE EMPLOYEE AND THE AUTHORIZED AGENT MUST COMPLETE A SEPARATION OF EMPLOYMENT KIT.

ADMINISTRATIVE CODE CHAPTER [71-02-01-01\(24\)](#): “TERMINATION OF EMPLOYMENT” MEANS A SEVERANCE OF EMPLOYMENT BY NOT BEING ON THE PAYROLL OF A COVERED EMPLOYER FOR A MINIMUM OF ONE MONTH. APPROVED LEAVE OF ABSENCE DOES NOT CONSTITUTE TERMINATION OF EMPLOYMENT.

Often employees will terminate their position with an employer participating in NDPERS and take a job with another employer who is also participating in NDPERS ([NDPERS Participating Employer Groups](#)).

1. Employees can not change their level of health insurance coverage. However, they may change EPO networks if the transfer results in the employee moving into or out of an EPO network area.
2. If enrolled in the FlexComp plan, no change in deduction is allowed unless there is an IRS Qualified Change of Status as a result of the transfer.

If employee transfers employment from one participating employer to another participating employer without terminating eligible employment, and in recognition of the fact that the current employer may not be aware of the circumstances regarding a departing employee's employment plans and subsequently a new employer will not receive any transfer information, NDPERS has developed a series of scenarios along with the required administrative procedures to follow depending on the particular situation. These procedures are designed to ensure transfers are processed consistently based on “what the employer knows at the time of separation of employment.

Situation: Current employer knows the employee is transferring to another covered employer:

1. Complete the Notice of Transfer Kit **SFN 53728**, which contains the Notice of Transfer form.
2. Send Notice of Transfer form to the new employer

Situation: Current employer has no knowledge that terminating employee is transferring to another covered employer:

1. Current employer and employee complete the appropriate separation of employment kit
2. Send the complete kit to PERS
3. PERS will process accordingly in absence of any other information.

Situation: New employer receives a Notice of Transfer Form from a participating employer.

1. Do not have transferring employee complete new enrollment forms for plans indicated in Part C of Notice of Transfer Form
2. Set up employee with benefits according to information provided in Part C of Notice of Transfer Form
3. Have employee complete enrollment forms for programs not previously enrolled in through previous employer
4. Submit any new enrollment forms to PERS

Situation: New employer is not aware a new employee is a transfer from another participating employer. Previous employer processed as a separation of employment and employee does not provide the information.

1. Have new employee complete all required enrollment forms.
2. Send the enrollment forms to PERS.
3. If there is an existing record, and the hire date is within 31 days of separation from previous employer, PERS will notify you that employee is a transfer from another participating employer and will:
 - a. Void the enrollment forms for any programs that employee previously participated in.
 - b. Complete Parts A-D of the Notice of Transfer Form and send it to new employer.
 - c. Employer will set up benefit record according to information provided in Part C of the Notice of Transfer Form
 - d. Employer must complete Parts E and F on the Notice of Transfer Form and return it to PERS

Situation: New employer is aware a new employee is a transfer but previous employer treated as a separation of employment and did not complete a Notice of Transfer Kit **SFN 53728**.

1. Complete Parts A, E, and F of the Notice of Transfer Form.
2. Send Notice of Transfer Form to PERS.
3. If hire date is within 31 days of separation from previous employer, PERS will complete Part C based on existing record and return the form to the new employer.
4. Have employee complete enrollment forms for programs not previously enrolled in through previous employer.
5. Employer will set up the benefit record accordingly.

See the FlexComp Plan Section and the Group Insurance Section for further details.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

NOTICE OF STATUS OR EMPLOYMENT CHANGE

SFN 53611

This form is to be completed by the employer when the employee has a change in employment Status. (Instructions and conditions are also listed on the other side of this form).

This form is to be completed to notify NDPERS of:

- Employee leave of absence/leave without pay
- Extending leave of absence/leave without pay
- Employee's return from leave of absence
- Employee classification change within agency
- Employee's reduction in hours
- Employee's separation from employment

PART B: CHANGE OF STATUS

LEAVE OF ABSENCE

1. NDPERS must be notified whenever an employee is taking a leave without pay and the reason for the leave.
2. A leave of absence cannot exceed one year without being recertified. If an employee is taking an unpaid leave in excess of two years, the employee should be terminated.
3. NDPERS must be notified of a return from leave prior to the employer enrolling the employee in the dental plan. If an employee elects not to continue dental coverage during the leave, they will be required to complete the Re-enrollment Restriction Period set forth in the Schedule of Benefits.

CLASSIFICATION CHANGE

1. Often employees will change their position within the employer group. This may affect their eligibility for benefits, as well as, how the employee is reported to NDPERS.

REDUCTION IN HOURS

1. If notifying PERS of an employee's change from permanent to temporary service, this form must be accompanied by **SFN 17627**.

PART C: SEPARATION OF EMPLOYMENT

1. If an employee is leaving the employer's service due to Termination (pre-retirement), Retirement, Disability retirement, or Death, this form is in one (1) of 6 PERS separation of employment kits. The **EMPLOYER MUST COMPLETE** a Notice of Status or Employment Change **SFN 53611**. The PERS separation of employment kit includes all necessary forms the employer and employee are required to complete.

The employer or employee may obtain the following Kits:

- Refund/Rollover Kit **SFN 53725**
- Deferred Retirement Kit **SFN 53724**
- Disability Retirement Kit **SFN 53726**
- Retirement Kit **SFN 53723**

2. The "membership termination date" is the last date the employee worked at your agency in an eligible position.
3. The "last month insurance premium(s) will be paid by your agency/or this employee" is the date of the employee's final coverage under the insurance plan.

NDPERS would like to remind employer's that participate in the group health plan of the Administrative Rules pertaining to final payment of the health insurance premium for terminating employees. Administrative Code section 71-03-04-01 pertaining to state agencies and section 71-03-07-01 pertaining to political subdivisions clarify that an employee's coverage must end the month following the month after termination of employment. This means the employer must remit premium payment for insurance coverage for the month following the month of termination in order to comply with this requirement. In addition, when an employee transfers from one participating employer to another, the new employer is responsible for submitting the premium for the first of the month following the month of employment."

PART D: PLAN INFORMATION

1. The employer must always complete this section.

PART E: AUTHORIZATION OF AUTHORIZED AGENT

1. The employer's authorized agent must always sign this section for the form to be valid.

FILING PROCEDURE: Original to NDPERS – Please retain a photocopy for your records.

CONTINUATION OF GROUP HEALTH INSURANCE COVERAGE (COBRA)

Employee - SFN 14120 Dependent – SFN 53883

FEDERAL COBRA LAW

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) requires that employers provide employees and their dependents that lose their eligibility to participate in the Group Health Plan an opportunity to continue comparable coverage at their own expense.

1. **PERSONS AFFECTED:** The right to COBRA continuation coverage applies to all employees and must be offered to:
 - A. Employees who terminate either voluntarily or involuntarily. Termination as a result of gross misconduct is not accepted;
 - B. An employee's divorced or widowed spouse;
 - C. Spouses and dependent(s) losing coverage due to a terminated employee's eligibility for Medicare;
 - D. Dependents who lose eligibility.

Employees no longer eligible for participation in the Group Health Plan may be eligible for COBRA coverage for a period of up to 18 months. Dependents (including spouses) no longer eligible for participation in the Group Health Plan may be eligible for COBRA coverage for a period of up to 36 months.

2. **COVERAGE WILL NOT BE PROVIDED IF:**
 - A. The individual enrolls in another Group Health Plan or they (or any dependent) become eligible for Medicare while on COBRA continuation.
 - B. The premium is not paid in a timely manner;
 - C. The employer ceases to provide the Group Health Plan to any employees;
 - D. The (ex) spouse enrolls in another Group Health Plan (including a new spouse's Group Health Plan if they re-marry);
 - E. The dependent enrolls in another Group Health Plan (excluding CHAMPUS).

FILING PROCEDURE: ORIGINAL TO NDPERS-PLEASE MAKE PHOTOCOPIES FOR YOUR RECORDS

GROUP HEALTH AND LIFE INSURANCE MONTHLY RECONCILING PROCEDURES

Pay Direct Agencies

All agencies that are not on Central Payroll. (Counties, Cities, School Districts, District Health Units, Higher Ed, etc.)

- A. The monthly Group Insurance Billings are sent out on or about the 1st of each month.
- B. Reconcile the billing.
- C. **Please do not cross out names on the billing.** To report late additions, deletions, or changes that reflect the current month's coverage use the last page of the billing titled Adjustments For, which is followed by the month and year. If applications reflecting these changes have not been sent to NDPERS, they must be sent along with the billing for processing.

Adjustments to Billing:

Additions - Enter Last Name, First Name, Social Security Number on adjustment page and add insurance premium amounts to amount billed.

Deletions - Enter Last Name, First Name, Social Security Number on adjustment page and subtract insurance premium amounts from amount billed.

Changes - Use the same procedure as for additions and deletions.

- D. **Return the original billing, along with your premium check, to NDPERS by the 10th of each month.**

If the premium remitted is different from the reconciled billing total amount, please attach a memo to the billing explaining when the additional premium amounts will be received; if difference reflects a shortage, or if a refund is being requested, indicate who the refund is for and the amount of the refund.

THE ORIGINAL BILLING MUST BE INCLUDED WITH YOUR CHECK - DO NOT SEND CASH.
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GROUP HEALTH AND LIFE INSURANCE MONTHLY RECONCILING PROCEDURES

Central Payroll Agencies

- A. The monthly Group Insurance Billings are sent out on the 5th of each month.
- B. Billings are to be reconciled with the PeopleSoft State Detailed Deduction Report or the query NDS_PR165_DEDUCTIONS.
- C. **Please do not cross out names on the billing.** Any late additions, deletions, or changes that reflect the current month's coverage must be made on the last page of the billing titled Adjustments For, which is followed by the month and year. If applications reflecting these changes have not been sent to NDPERS, they must be sent along with the billing for processing.

Adjustments to Billing:

Additions - Enter Last Name, First Name, Social Security Number on adjustment page and add insurance premium amounts to amount billed.

Deletions - Enter Last Name, First Name, Social Security Number on adjustment page and subtract insurance premium amounts from amount billed.

Changes - Use the same procedure as for additions and deletions.

- D. **Return the original billing, along with any personal checks, to NDPERS by the 15th of each month.**

If the premium remitted is different from the reconciled billing total amount, please attach a memo to the billing explaining when the additional premium amounts will be received; if difference reflects a shortage, or if a refund is being requested, indicate who the refund is for and the amount of the refund.

RETURN THE ORIGINAL BILLING AND ANY PERSONAL CHECKS - DO NOT SEND CASH.
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